

# Arlington Retirement Board

Approved September 27, 2002

The Arlington Contributory Retirement Board (the “Board”) recognizes that Retirement Board Members and the Retirement Board staff must perform their fiduciary duties in an efficient, effective and informed manner. The Board recognizes the importance of continuing education; the need for informed decision making by Board Members; and the need for a broader public pension perspective, gained through association with other Retirement Boards and administrators, both within the Commonwealth of Massachusetts and throughout the nation. These objectives can be accomplished with the assistance of reasonable, efficient and effective travel and educational regulations. The Board has therefore enacted the following regulations to govern travel by Board and Board Staff Members.

## Article I

### Purpose

A. The purpose of these regulations is to deal with travel by Board Members and Board staff in accordance with PERAC guidelines and the provisions of G.L. c.268A, governing the conduct of public officials and employees. Terms common to these regulations and G. L. c. 268A shall have the meaning ascribed to them by G.L. c. 268A and rulings issued pursuant to that law.

## Article II

### Authorization for Travel and Travel Related Expenditures

A. All travel-related expenses that are to be paid for by the Board shall be related to the purpose of the authorized travel and shall be cost-effective. To ensure the foregoing, the Board shall pay for or make reimbursement to Board members and the staff of the Retirement Board for all travel and lodging expenses except as specifically authorized in these guidelines for expenses related to legitimate speaking engagements. The following details the method by which travel and expenses related to travel are to be authorized:

1. Travel and related expenses are to be approved by the Board in advance of the travel.
2. Requests for travel by Board Members shall be placed on a Board meeting agenda, discussed in open session and approved by a majority vote of the Members of the Board present and voting. The meeting minutes shall reflect the Board’s action and the extent of the authorization.
3. The nature of the travel, its purpose and estimated cost shall be outlined on a travel authorization form, an example of which is contained in these Regulations. The form must include a statement by the traveler, certifying that the expenses were incidental to the approved travel. Brochures for seminars or other presentations should accompany the request for travel where available.
4. A statement describing the presentation, conference or seminar shall be entered into the minutes of the meeting following the travel.

## Article III

### Required Documentation for Reimbursement

A. To obtain reimbursement for Board Members and Board staff for travel-related expenses the requesting Board or Staff Member shall submit a travel expense reimbursement form, an example of which is contained in these regulations. By completing and signing the form, the requesting Board or Staff Member shall certify that the expenses were incurred and were necessary and incidental to the approved travel. The request for reimbursement must be submitted within a reasonable time after the expenses are incurred, but no later than 30 days after the expense in question was incurred, and shall be submitted under the pains and penalty of perjury.

1. Any requests for reimbursement should be completed and properly approved after incurring any travel, transportation or meal or other travel-related expenses and before reimbursement takes place.
2. Original itemized receipts must be submitted for all expenses including transportation, lodging, and other expenses incidental to travel.
3. Receipts should be required for individual expenses over \$10. Travel-related expenses that are under \$10 (such as gratuities) should be fully described and, reimbursed based on the traveler's certification that the expenses were necessary and incidental to the approved travel.
4. Any travel-related expenditures which have not been properly documented or approved or are not in conformity with the Board's regulations shall be rejected or adjusted.
5. Reimbursement shall only be made to the person who actually made payment for the expense.

## Article IV

### Travel Arrangements

A. The Retirement Administrator shall be responsible for making all travel arrangements and for assisting Board Members and Board staff in completing authorization and reimbursement forms. When making travel arrangements, government rates or business rates will be secured.

B. An extended stay may be authorized if the net cost to the Board will be lower. For example, if airline fare is lowered by staying an extra day and the cost of accommodations and meals for that extra day results in a net savings to the Board, an extended stay can be authorized.

## Article V

### Transportation

A. The Board may approve travel by any of the following means, as the circumstances may make appropriate: airline, train, bus, automobile rental, taxi, or other form of public conveyance as cost effective. All travel should be at the lowest fare available, generally economy/coach fare. The Retirement Administrator should assist in determining that certain routing criteria are to be

implemented, for example, requiring no more than one interim stop each way; not requiring more than one scheduled airplane transfer each way; and allowing for reasonable departure and arrival times, as circumstances may make appropriate.

B. The Board shall not approve any payment for airline club memberships, and such payment is prohibited. The source of rental cars shall be a national rental agency, and the Retirement Administrator shall negotiate the rental rate for the class of motor vehicle that will be authorized for rental, but it is the traveler's responsibility to verify that the rate charged is the rate negotiated. The traveler must accept optional insurance coverage for rental cars.

C. Any motor vehicle accidents which occur while using a rental car while on Board approved travel shall be reported as soon as practicable, in writing to the appropriate authorities, with copies of all such reports provided to the Board. The Board shall not reimburse for fines or other expenses incurred as a result of traffic violations while on Board-approved travel. The traveler is personally responsible for such expenses.

D. Under appropriate circumstances and to ensure cost effectiveness, the Board may allow reimbursement for use of personal motor vehicles. In that event, the per mile expense rate allowed is the lower of 36.5 cents per mile, or the current amount allowed by the Internal Revenue Service at the time of the request. Parking fees and toll charges will be reimbursed to the extent supported by appropriate receipts.

## Article VI

### Lodging

A. All reservations for accommodations should be made in advance by the Retirement Administrator. It is the traveler's responsibility to verify that the rate charged is the rate negotiated by the Retirement Administrator. The class of accommodations that are authorized for reimbursement include customary lodging for business travelers; reimbursement shall not be made for luxury suites or accommodations.

B. The maximum daily reimbursable amount for the cost of meals while on Board authorized travel is \$20 per meal. When necessary and as supported by appropriate receipts, the Board may allow for reimbursement in excess of the allowable amount for travel to high-cost locations.

C. If reimbursement is sought for meal expenses for others, these individuals are to be identified along with their affiliation and a description of the purpose of the meeting. Reimbursement shall be made only for meetings that are for business purposes. The Board can approve registration fees for a conference or seminar includes lodging and meals. In these instances, reimbursement for lodging and meals included in the cost of registration is prohibited.

## **Article VII**

### **Other Reimbursable and Non-Reimbursable Expenses**

A. Gratuities paid in accordance with local custom, telephone expenses limited to Board or business related calls and one personal call per day, Internet connections charges, costs for faxing, and costs for necessary copying may be reimbursed.

B. The following expenses are not reimbursable: personal expenses, for example but not necessarily limited to, in-room movies, mini-bar charges, gym fees, entertainment or recreational expenses, laundry and dry cleaning and any payments for personal services.

C. The Board shall not reimburse for alcoholic beverages.

## **Article VIII**

### **Cash Advances**

A. The Board shall not approve cash advances in connection with anticipated expenses and such advances are prohibited.

## **Article IX**

### **Board Credit Cards**

A. The Board may authorize usage of credit cards issued to the Board. In the event of such authorization, all personal use of credit cards issued to the Board is prohibited. Credit card billings shall be issued to the Board office and the card user is required to provide receipts for all expenses included in the statement. If receipts are not provided, the user will immediately reimburse the Board for these expenses.

B. Credit cards are not to be used to purchase supplies or other items that the Board, the Board Members or the Board's staff use on a regular basis and which can be readily anticipated and purchased by way of a competitive process.

## **Article X**

### **Personal Travel Combined with Board Related Travel**

If personal travel is combined with Board-related travel, the personal portion of the trip will be clearly identified and paid for by the traveler. The Board will deem travel expenses or any other expenses incurred by a spouse, relative, friend or other individual accompanying a Board Member or Board staff member to be personal travel and will, in no event, be a proper expense of the Retirement Board.

## **Article XI**

### **Payments or Reimbursements for Expenses by Third Parties**

A. No Board Member or Staff Member shall provide to or receive anything of substantial value from any person, firm, partnership or other entity which may be reasonably expected to seek to do business with or is seeking to do business with or presently is doing business with a Retirement Board or any person, firm or over entity that solicits or makes referrals or which may be reasonably expected to solicit or make referrals of any client on behalf of such a person,

firm, partnership or other entity. No Board Member or Staff Member shall provide to or receive anything of substantial value from such a person, firm, partnership or other entity indirectly through any person, firm, association, organization or other entity.

B. In instances where a Board Member or Board staff member participates in a legitimate speaking engagement, the Board shall pay all costs and expenses related to such speaking engagement, provided, that the Board Member or Board staff member complies with all of the Board's travel regulations. The Board may accept reimbursement for such travel-related expenses of a Board Member or a member of the Board's staff from the third party, only under the following limited circumstances:

1. A Board Member or a member of a Board's staff may participate in legitimate speaking engagements in connection with their positions on the Retirement Board or as a member of the Board's staff and the Board may accept reimbursements from third parties necessary to cover travel-related costs for such engagements.
2. Acceptance of an honorarium or any other form of compensation is strictly prohibited.
3. To be considered a legitimate speaking engagement, the presentation must formally scheduled on the agenda of a convention or conference.
4. The speaking engagement must be scheduled in advance of the Board Member's or staff member's arrival at the event.
5. The presentation must be before an organization that would normally have outside speakers address them at such an event.
6. The presentation cannot be perfunctory, but should significantly contribute to the event, taking onto account such factors as the length of the speech or presentation, the size of the audience, and the extent to which the speaker is providing substantive or unique information or viewpoints.
7. The Retirement Board can be reimbursed by a third party for expenses only to the extent necessary for mincing the speech or presentation.
8. Under no circumstances can a Board Member or Board staff member receive reimbursement or any other payment or compensation from a third party.

## Article XII

### Violation of These Guidelines or Board Travel Regulations

A. To the extent any Board or Staff Member receives any amounts without authorization or in excess of the amount permitted under these regulations, such Board or Staff Member shall promptly reimburse the Board for the unauthorized or excessive amounts.

B. Any person or entity that violates these regulations shall be deemed to have violated the provisions of 840 CMR 17.00 and shall be subject to removal as a qualified investment manager or consultant pursuant to 840 CMR 17.04(10). In addition, the Public Employee Retirement Administration Commission shall not grant an exemption pursuant to 840 CMR 19.02 or qualification pursuant to 840 CMR 26.04 if any person or entity that has violated PERAC Guidelines or these regulations is the subject of the filing.